

MINUTES

MONTANA SENATE 65th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Mark Blasdel, on March 28, 2017 at 9:00 A.M., in Room 405 Capitol

ROLL CALL

Members Present:

Sen. Mark Blasdel, Chair (R)
Sen. Roger Webb, Vice Chair (R)
Sen. Dick Barrett (D)
Sen. Jill Cohenour (D)
Sen. Brian Hoven (R)
Sen. Sue Malek (D)
Sen. Edith (Edie) McClafferty (D)
Sen. JP Pomnichowski (D)
Sen. Tom Richmond (R)
Sen. Russel (Russ) Tempel (R)

Members Excused: Sen. Scott Sales (R), Sen. Fred Thomas (R)

Members Absent: None

Staff Present: Jaret Coles, Legislative Branch
Olivia Hopkins, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: SB 364, 3/24/2017; SB 373, 3/24/2017

Executive Action: SB 359, SB 351, SB 255, SB 331, SB 348, SB 350, SB 354

00:00:33 Chairman Blasdel

00:01:13 Sen. Cohenour entered the meeting.

HEARING ON SB 364

Opening Statement by Sponsor:

00:01:20 Sen. Albert Olszewski (R), SD 6, opened the hearing on SB 364, Revise tax exemption laws for certain nonprofit pharmacy operations.

Proponents' Testimony:

00:04:11 Sen. Chas Vincent, SD 1

[EXHIBIT\(tas64a01\)](#)

00:04:55 Sen. Pomnichowski entered the meeting.

Opponents' Testimony:

00:12:52 Maria Clemons, Northwest Community Health Center (NCHC)

00:19:20 Stephanie Chosa, Bighorn Valley Health Center

00:20:32 Sen. McClafferty entered the meeting.

00:24:46 Dick Brown, president, Montana Hospital Association

00:26:10 Leslie Southworth, Community Health Care Center

00:27:52 Don Foley, Southwest Montana Community Health Center

00:31:56 Tony King, Geneva Woods Pharmacy (GWP)

00:33:30 Ellen Feaver, PureView Health Center

00:34:47 Abigail St. Lawrence, Montana Association of Naturopathic Physicians

00:36:35 Stacey Anderson, Montana Primary Care Association (MPCA)

[EXHIBIT\(tas64a02\)](#)

Informational Testimony:

00:42:27 Brian Staley, Montana Department of Revenue

Questions from Committee Members and Responses:

00:42:51 Sen. Barrett

00:43:46 Ms. Clemons, NCHC

00:44:13 Sen. Barrett

00:44:25 Ms. Clemons

00:44:35 Sen. Barrett

00:45:07 Ms. Clemons

00:46:24 Sen. Hoven

00:46:41 Ms. Clemons

00:46:56 Sen. Hoven

00:47:05 Ms. Clemons

00:47:19 Sen. Cohenour
 00:48:06 Sen. Olszewski
 00:51:02 Sen. Malek
 00:51:25 Sen. Vincent
 00:51:37 Sen. Malek
 00:52:35 Ms. Clemons
 00:54:33 Sen. Barrett
 00:55:10 Mr. King, GWP
 00:56:06 Sen. Barrett
 00:56:38 Sen. Vincent
 01:00:51 Sen. Barrett
 01:01:27 Ms. Anderson, MPCA
 01:02:55 Sen. Barrett
 01:03:13 Ms. Anderson
 01:03:56 Sen. Barrett
 01:04:10 Sen. Malek
 01:04:30 Ms. Anderson
 01:04:52 Ms. Clemons

Closing by Sponsor:

01:05:30 Sen. Olszewski
 01:07:50 Chairman Blasdel

HEARING ON SB 373

Opening Statement by Sponsor:

01:09:24 Sen. Dick Barrett (D), SD 45, opened the hearing on SB 373, Revise selective sales and use taxes.

Proponents' Testimony:

01:12:12 Mike Kadas, director, Montana Department of Revenue (DOR)
[EXHIBIT\(tas64a03\)](#)

01:18:15 Doug Mitchell, deputy director, Montana Department of Commerce (COM)

Opponents' Testimony:

01:19:15 Robert Story, Montana Taxpayers Association
[EXHIBIT\(tas64a04\)](#)

01:21:40 Wiley Barker, Crowley Fleck Attorneys, representing Travel Tech
[EXHIBIT\(tas64a05\)](#)

01:25:14 Steve Sure, Travel Technology Association
 01:34:29 Aimee Grmoljez, Montana Lodging and Hospitality Association
 01:36:03 Bridger Mahlum, Montana Chamber of Commerce

Informational Testimony: None

Questions from Committee Members and Responses:

01:37:13	Sen. Malek
01:37:35	Mr. Kadas, DOR
01:39:15	Sen. Cohenour
01:39:42	Sen. Barrett
01:41:50	Sen. Hoven
01:42:34	Gene Walborn, deputy director, Montana Department of Revenue (DOR)
01:44:24	Sen. Pomnichowski
01:45:22	Sen. Barrett
01:45:34	Mr. Walborn, DOR
01:47:05	Sen. Pomnichowski
01:48:13	Mr. Walborn
01:49:49	Chairman Blasdel
01:50:49	Mr. Walborn
01:51:20	Chairman Blasdel
01:51:42	Mr. Walborn
01:53:13	Chairman Blasdel
01:53:34	Mr. Mitchell, COM
01:54:29	Chairman Blasdel

Closing by Sponsor:

01:54:53	Sen. Barrett
01:58:20	Chairman Blasdel
01:59:30	Recess
02:21:05	Reconvene
02:21:07	Chairman Blasdel

EXECUTIVE ACTION ON SB 359

02:22:18 **Motion:** Sen. R. Webb moved that **SB 359 DO PASS.**

Discussion:

02:22:34	Chairman Blasdel
02:22:48	Sen. Cohenour
02:23:25	Chairman Blasdel
02:24:09	Sen. Malek
02:24:24	Chairman Blasdel

02:25:20 **Vote:** Motion carried 8-4 by roll call vote with Sen. Barrett, Sen. Cohenour, Sen. McClafferty and Sen. Pomnichowski voting no. Sen. S. Sales and Sen. Thomas voted by proxy.

EXECUTIVE ACTION ON SB 351

02:26:25 **Motion:** Sen. Barrett moved that **SB 351 DO PASS.**

Discussion:

02:26:41 Sen. McClafferty

02:27:04 **Vote:** Motion failed 4-8 by roll call vote with Sen. Barrett, Sen. Cohenour, Sen. Malek and Sen. Pomnichowski voting aye. Sen. S. Sales and Sen. Thomas voted by proxy.

02:28:00 **Motion/Vote:** Sen. R. Webb moved that **SB 351 BE TABLED AND THE VOTE REVERSED.** Motion carried 11-1 by voice vote with Sen. Barrett voting no. Sen. S. Sales and Sen. Thomas voted by proxy.

EXECUTIVE ACTION ON SB 255

02:28:15 **Motion:** Sen. Pomnichowski moved that **SB 255 BE TABLED.**

02:29:15 **Vote:** Motion failed 5-7 by roll call vote with Sen. Barrett, Sen. Cohenour, Sen. Malek, Sen. McClafferty and Sen. Pomnichowski voting aye. Sen. S. Sales and Sen. Thomas voted by proxy.

02:29:18 **Motion:** Sen. R. Webb moved that **SB 255 DO PASS.**

02:29:54 **Motion:** Sen. R. Webb moved that **SB 255 BE AMENDED.**
[EXHIBIT\(tas64a06\)](#)

Discussion:

02:29:59 Sen. Webb

02:31:22 Sen. Cohenour

02:31:56 Sen. Webb

02:32:16 Sen. Cohenour

02:32:28 Sen. Webb

02:32:44 Without objection, Sen. Webb withdrew the DO PASS and BE AMENDED motions.

02:33:16 Chairman Blasdel

EXECUTIVE ACTION ON SB 331

02:33:56 **Motion:** Sen. Barrett moved that **SB 331 DO PASS.**

02:34:09 **Motion:** Sen. Barrett moved that **SB 331 BE AMENDED.**
[EXHIBIT\(tas64a07\)](#)

Discussion:

02:34:21 Sen Barrett
 02:34:50 Jaret Coles, Legislative Services Division (LSD)
 02:36:39 Sen. Pomnichowski
 02:37:35 Sen. Barrett
 02:39:45 Chairman Blasdel
 02:40:14 Mr. Coles, LSD
 02:40:38 Sen. Hoven
 02:40:53 Sen. Barrett
 02:41:03 Sen. Malek

02:41:13 **Vote:** Motion carried unanimously by voice vote. Sen. S. Sales and Sen. Thomas voted by proxy.

02:41:39 **Motion:** Sen. Richmond moved that **SB 331 BE AMENDED.**
EXHIBIT(tas64a08)

Discussion:

02:41:54 Sen. Richmond
 02:42:15 Sen. Barrett
 02:43:00 Sen. Cohenour
 02:43:22 Sen Richmond
 02:43:44 Sen. Cohenour

02:43:52 **Vote:** Motion carried unanimously by voice vote. Sen. S. Sales and Sen. Thomas voted by proxy.

02:44:04 **Motion:** Sen. Pomnichowski moved that **SB 331 BE AMENDED.**
EXHIBIT(tas64a09)

Discussion:

02:44:16 Sen. Pomnichowski
 02:45:48 Sen. Barrett

02:45:59 **Vote:** Motion carried unanimously by voice vote. Sen. S. Sales and Sen. Thomas voted by proxy.

02:46:09 **Motion:** Sen. Barrett moved that **SB 331 DO PASS AS AMENDED.**

Discussion:

02:46:19 Sen. Barrett
 02:48:21 Sen. Tempel
 02:48:48 Sen. Webb
 02:49:23 Sen. Cohenour
 02:49:57 Sen. Hoven
 02:50:23 Sen. Barrett

02:52:02 Sen. Malek

02:53:11 **Vote:** Motion failed 5-7 by roll call vote with Sen. Barrett, Sen. Cohenour, Sen. Malek, Sen. McClafferty and Sen. Pomnichowski voting aye. Sen. S. Sales and Sen. Thomas voted by proxy.

02:53:57 **Motion/Vote:** Sen. R. Webb moved that **SB 331 BE TABLED AND THE VOTE REVERSED**. Motion carried 7-5 by voice vote with Sen. Barrett, Sen. Cohenour, Sen. Malek, Sen. McClafferty and Sen. Pomnichowski voting no. Sen. S. Sales and Sen. Thomas voted by proxy.

EXECUTIVE ACTION ON SB 348

02:54:29 **Motion:** Sen. R. Webb moved that **SB 348 DO PASS**.

02:54:42 **Motion:** Sen. R. Webb moved that **SB 348 BE AMENDED**.
[EXHIBIT\(tas64a10\)](#)

Discussion:

02:55:23 Sen. Webb
02:58:07 Sen. Richmond
02:58:49 Sen. Cohenour
02:59:50 Sen. Webb
03:00:08 Sen. Barrett
03:00:26 Sen. Webb
03:00:45 Sen. Barrett
03:01:28 Sen. Malek
03:01:39 Sen. Webb
03:01:52 Sen. Cohenour
03:02:04 Sen. Webb
03:02:19 Sen. Malek
03:02:23 Sen. Webb

03:02:56 **Vote:** Motion carried 9-3 by roll call vote with Sen. Cohenour, Sen. Malek and Sen. McClafferty voting no. Sen. S. Sales and Sen. Thomas voted by proxy.

03:03:27 **Motion:** Sen. R. Webb moved that **SB 348 DO PASS AS AMENDED**.

Discussion:

03:03:41 Sen. Cohenour
03:04:05 Sen. Webb

03:04:20 **Vote:** Motion carried 8-4 by roll call vote with Sen. Cohenour, Sen. Malek, Sen. McClafferty and Sen. Pomnichowski voting no. Sen. S. Sales and Sen. Thomas voted by proxy.

EXECUTIVE ACTION ON SB 350

03:05:19 **Motion:** Sen. McClafferty moved that **SB 350 DO PASS.**

03:05:47 **Motion:** Sen. McClafferty moved that **SB 350 BE AMENDED.**
EXHIBIT(tas64a11)

03:06:10 **Vote:** Motion carried 11-1 by voice vote with Sen. R. Webb voting no. Sen. S. Sales and Sen. Thomas voted by proxy.

03:06:25 **Motion:** Sen. McClafferty moved that **SB 350 DO PASS AS AMENDED.**

Discussion:

03:06:33 Sen. McClafferty
03:07:08 Sen. Cohenour
03:07:55 Sen. Hoven
03:09:03 Sen. Barrett

03:09:41 **Vote:** Motion failed 5-7 by roll call vote with Sen. Barrett, Sen. Cohenour, Sen. Malek, Sen. McClafferty and Sen. Pomnichowski voting aye. Sen. S. Sales and Sen. Thomas voted by proxy.

03:10:24 **Motion/Vote:** Sen. R. Webb moved that **SB 350 BE TABLED AND THE VOTE REVERSED.** Motion carried 7-5 by voice vote with Sen. Barrett, Sen. Cohenour, Sen. Malek, Sen. McClafferty and Sen. Pomnichowski voting no. Sen. S. Sales and Sen. Thomas voted by proxy.

EXECUTIVE ACTION ON SB 354

03:10:48 **Motion:** Sen. Barrett moved that **SB 354 DO PASS.**

Discussion:

03:11:33 Sen. Tempel
03:11:53 Sen. Cohenour

03:13:30 **Vote:** Motion carried 9-3 by roll call vote with Sen. Blasdel, Sen. S. Sales and Sen. Thomas voting no. Sen. S. Sales and Sen. Thomas voted by proxy.

03:14:18 Chairman Blasdel

ADJOURNMENT

Adjournment: 12:15 PM

Olivia Hopkins, Secretary

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Additional Documents:

EXHIBIT([tas64aad.pdf](#))